



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Pension Fund Fiscal Note 2009 Biennium

<b>Bill #</b>	SB0011	<b>Title:</b>	PERS exemption for legislative session staff
<b>Primary Sponsor:</b>	Cocchiarella, V.	<b>Status:</b>	As Introduced

**Retirement Systems Affected:**

<input type="checkbox"/> Teachers	<input checked="" type="checkbox"/> Public Employees	<input type="checkbox"/> Highway Patrol	<input type="checkbox"/> Police
<input type="checkbox"/> Sheriffs	<input type="checkbox"/> Firefighters	<input type="checkbox"/> Volunteer Firefighters	<input type="checkbox"/> Judges

Check the box if "Yes".

- ☐ Has this legislation been reviewed by the legislative interim committee?
- ☐ Has the cost of this legislation been calculated by the system's actuary?
- ☐ Does this legislation include full funding for any benefit revisions?

PERS	July 1, 2006 Current System	Impact of Changes
Present Value of Actuarial Liability	\$3,919,313,000	\$0
Present Value of Actuarial Assets	\$3,459,084,000	\$0
Present Value of Increased Costs	\$0	\$0
Actuarial Accrued Liability (AAL) Unfunded/(Funded)	\$460,229,000	\$0
Amortization Period of AAL	does not amortize	0

	July 1, 2006	July 1, 2007	July 1, 2008	July 1, 2009	July 1, 2010
Employee Contribution Rate	6.90%	6.90%	6.90%	6.90%	6.90%
State & Univ Employer Contr Rate	6.90%	6.90%	6.90%	6.90%	6.90%
Local Govt Employer Contr Rate	6.80%	6.80%	6.80%	6.80%	6.80%
State Contr Rate for Local Govt	0.10%	0.10%	0.10%	0.10%	0.10%
<b>TOTAL Contribution Rate**</b>	<b>13.80%</b>	<b>13.80%</b>	<b>13.80%</b>	<b>13.80%</b>	<b>13.80%</b>

\*\*The employer contribution rates are based on the rates applicable to the different employer types.

**FISCAL SUMMARY**

	<b>FY 2008 Difference</b>	<b>FY 2009 Difference</b>	<b>FY 2010 Difference</b>	<b>FY 2011 Difference</b>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
Other - Pension Trust	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
Other - Pension Trust	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**FISCAL ANALYSIS****Assumptions:****Legislative Branch**

1. Under current law, legislative session employees who are non-members have an option to elect or decline membership in the Public Employees Retirement System. (PERS). Those who are already members, active or inactive, do not have an option and may not elect out of PERS.
2. None of the employees who had an option for the 2007 session elected to join PERS That is consistent with past legislative sessions.
3. The proposed legislation extends that deadline out to 10 months before the employee would be required to join PERS. Based on Legislative Branch experience, one part-time employee fell into this category during the 2003 session, and one during the 2005 session. Using the small number of hours this employee worked beyond the six-month period, the fiscal impact is not reportable.
4. There is no fiscal impact.

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*